

The balance of present Art. 11, § 41 now appears as follows: as to receiving, investing, and lending deposits, in § 4-206(b) (1) and (3) of this title; as to prohibited loans, in § 4-602 of this subtitle; as to leasing vaults and safe-deposit boxes, in § 4-206(b) (5) of this title; as to acting as trustee under federal retirement acts, in §§ 4-206(b) (7) and 4-604 of this title; as to borrowing money, in §§ 4-206(b) (4) and 4-603 of this title; and as to real property investments, in § 5-503(b) of this article.

4-602. PROHIBITED LOANS.

A SAVINGS BANK MAY NOT LEND MONEY TO ANY OF ITS DIRECTORS, OFFICERS, OR EMPLOYEES.

REVISOR'S NOTE: This section is new language derived without substantive change from the last clause of the first sentence of Art. 11, § 41(a).

As to the balance of present Art. 11, § 41, see the revisor's note to § 4-601 of this subtitle.

4-603. LIMITATIONS ON BORROWING.

(A) PRIOR APPROVAL REQUIRED.

(1) UNLESS A SAVINGS BANK HAS THE PRIOR APPROVAL OF THE BANK COMMISSIONER, THE TOTAL AMOUNT OF ALL OF ITS OUTSTANDING DEBTS, OTHER THAN THOSE INCURRED FOR PURPOSES OF REPAYING ITS DEPOSITORS, MAY NOT EXCEED 5 PERCENT OF ITS DEPOSITS.

(2) WHEN THE DIRECTORS OF A SAVINGS BANK AUTHORIZE IT TO BORROW MONEY FOR WHICH APPROVAL IS REQUIRED, THE SAVINGS BANK IMMEDIATELY SHALL SEND A COPY OF THE BOARD'S RESOLUTION TO THE BANK COMMISSIONER.

(B) LIMITATION ON TERM.

A SAVINGS BANK MAY NOT BORROW MONEY FOR PERIODS THAT TOTAL MORE THAN:

(1) 1 YEAR; AND

(2) ANY ADDITIONAL RENEWAL PERIOD THAT THE BANK COMMISSIONER APPROVES IN WRITING FOR PAYMENT OF AN UNPAID BALANCE.

REVISOR'S NOTE: This section is new language derived without substantive change from the second, third, and fifth sentences of Art. 11, § 41(c).

In subsection (a) (1) of this section, the present
